

Old Age, Disability, Death

First law: 1967.

Current law: 1987 (effective December 20, 1991).

Type of program: Social insurance system.

Exchange rate: Currency is the U.S. dollar.

Administrative Organization

Social Security Administration, administration of program.

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Coverage

Gainfully occupied persons, including self-employed (For self-employed with no employees, gross earnings under \$10,000 per year but more than \$300 per quarter, coverage is optional).

Exclusions: Casual labor and self-employed with no employees and annual gross income of less than \$300 per quarter.

Source of Funds

Insured person: 4% of earnings. Self-employed, 8% of twice the salary of highest paid employee (if none, of 1/4 gross revenue).

Employer: 4% of payroll.

Government: None, except for contribution as employer.

Maximum earnings for contribution and benefit purposes: \$3,000 a quarter.

Qualifying Conditions

Old-age pension: Age 60 and 1 quarter of coverage for each year after June 1968 up to age 60.

Disability pension: Incapacity for substantial gainful activity due to impairment likely to last 1 year or result in death. 1 quarter of coverage for each year after June 1968 (or since age 21, if later), with at least 12 quarters of coverage; also, 8 quarters of coverage during last 13 quarters.

Survivor pension: Deceased had 1 quarter of coverage for each year after June 1968 (or since age 21, if later) or at least 8 quarters of coverage in 13 quarters preceding death.

Pension reduced \$1 for each \$3 of earnings above \$500 a quarter.

Payable abroad if reciprocity exists.

Old-Age Benefits

Old-age pension: 16.5% of the first \$11,000 of cumulative covered earnings, plus 2.7% of earnings between \$11,000 and \$44,000, plus 1.35% of earnings \$44,000.

Minimum: \$47.50 a month.

Dependents' allowance: None.

Permanent Disability Benefits

Disability pension: Same as old-age pension, above.

Minimum: \$47.50 a month.

Dependents' allowance: None.

Survivor Benefits

Survivor pension: 60% of deceased's, payable to widow or widower at any age.

Orphans: 15% of deceased's pension for each orphan under age 18 (22 if student, no age limit if disabled before age 22).

Minimum survivor pension: \$47.50 a month; maximum, 100% of insured's pension.